

14 *calendar month ending nearest to the last day of the tax year.*

15 *c. This section is effective for tax years ending on or after December 14, 1975.*

1 SEC. 2. The provisions of this Act are effective December 14, 1975 for all tax
2 years ending on or after December 14, 1975 and to this extent the provisions of
3 this Act are retroactive.

1 SEC. 3. This Act, being deemed of immediate importance, shall take effect
2 and be in force from and after its publication in the Dallas County News, a
3 newspaper published in Adel, Iowa, and in the Cherokee Daily Times, a
4 newspaper published in Cherokee, Iowa.

Approved March 19, 1976

I hereby certify that the foregoing Act, House File 392, was published in the Dallas County News, Adel, Iowa on March 24, 1976, and in the Cherokee Daily Times, Cherokee, Iowa on March 25, 1976.

MELVIN D. SYNHORST, *Secretary of State*

CHAPTER 1192

INTERNAL REVENUE CODE UPDATED

S. F. 1060

AN ACT relating to references to the internal revenue code in the computation of individual and corporate income tax and the franchise tax and making the Act retroactive.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section four hundred twenty-two point four (422.4), subsection
2 seventeen (17), Code 1975, as amended by Acts of the Sixty-sixth General
3 Assembly, 1975 Session, chapter two hundred six (206), section one (1), is
4 amended to read as follows:

5 17. "Internal Revenue Code of 1954" means the Internal Revenue Code of
6 1954, as amended to and including January 1, ~~1975~~ 1976.

1 SEC. 2. Section four hundred twenty-two point thirty-two (422.32), subsection
2 four (4), Code 1975, as amended by Acts of the Sixty-sixth General Assembly,
3 1975 Session, chapter two hundred six (206), section two (2), is amended to read
4 as follows:

5 4. "Internal Revenue Code of 1954" means the Internal Revenue Code of 1954,
6 as amended to and including January 1, ~~1975~~ 1976.

1 SEC. 3. Section four hundred twenty-two point sixty-one (422.61), subsection
2 four (4), Code 1975, as amended by Acts of the Sixty-sixth General Assembly,
3 1975 Session, chapter two hundred six (206), section three (3), is amended to read
4 as follows:

5 4. "Net income" means the net income of the financial institution computed in
6 accordance with section 422.35, with the exception that interest and dividends
7 from federal securities shall not be subtracted and interest and dividends from
8 evidences of indebtedness and securities of this state and its political subdivisions,
9 exempt from federal income tax under the Internal Revenue Code of 1954 as
10 amended to and including January 1, ~~1975~~ 1976, shall not be added.

1 SEC. 4. Sections one (1), two (2) and three (3) of this Act are retroactive to
2 January 1, 1975 for tax years beginning on or after January 1, 1975 and to this
3 extent the provisions of this Act are retroactive.

1 SEC. 5. This Act, being deemed of immediate importance, shall take effect
 2 and be in force from and after its publication in the Cherokee Daily Times, a
 3 newspaper published in Cherokee, Iowa, and in the West Des Moines Express, a
 4 newspaper published in West Des Moines, Iowa.

Approved February 6, 1976

I hereby certify that the foregoing Act, Senate File 1060, was published in the Cherokee Daily Times, Cherokee, Iowa, February 12, 1976, and in the West Des Moines Express, West Des Moines, Iowa, February 12, 1976.

MELVIN D. SYNHORST, *Secretary of State*

CHAPTER 1193

TRUST DISTRIBUTIONS—INCOME TAX

H. F. 1321

AN ACT relating to accumulated distributions of trusts under the individual income tax and making the Act retroactive.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section four hundred twenty-two point six (422.6), Code 1975, is
 2 amended by adding the following new unnumbered paragraph:

3 NEW UNNUMBERED PARAGRAPH. The beneficiary of a trust who receives an
 4 accumulation distribution shall be allowed credit without interest for the Iowa
 5 income taxes paid by the trust attributable to such accumulation distribution in a
 6 manner corresponding to the provisions for credit under the federal income tax
 7 relating to accumulation distributions as contained in the Internal Revenue Code
 8 of 1954. The trust shall not be entitled to a refund of taxes paid on the
 9 distributions. The trust shall maintain detailed records to verify the computation
 10 of the tax.

1 SEC. 2. The provisions of this Act shall be retroactive to January 1, 1976 for
 2 tax years beginning on or after January 1, 1976 and to this extent the provisions
 3 of this Act are retroactive.

Approved May 20, 1976